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TAGS: [PGOV](#) [PA](#)
SUBJECT: COUP RUMORS: JUST ANOTHER DAY IN PARAGUAY

REF: ASUNCION 598

Classified By: Ambassador Liliana Ayalde; reasons 1.4 (b) and (d).

11. (C) After swirling rumors and exaggerated press reports of an attempted coup on September 1, President Lugo appeared on national television with his military cabinet behind him. Lugo assured his people that he remained in control and that he would not tolerate any attempts to undermine Paraguayan democracy. While there is little reliable information available, it appears the source of the rumors was an August 31 meeting between former President Nicanor Duarte, UNACE party leader (and former coup plotter) General Lino Oviedo, Senate President (UNACE) Enrique Gonzalez Quintana, and others. Congress' military liaison, General Diaz, told the DATT September 2 that he was invited to attend and to carry a message to his superior, General Soto. According to media reports, Duarte, Oviedo and Gonzalez asked Diaz about the military's readiness to handle a constitutional crisis. Diaz reported the inquiries to Soto, who immediately informed the president. (NOTE: Gonzalez Quintana made numerous attempts to contact the Ambassador on September 1, when the story broke. Mindful of the Paraguayan want to draw the U.S. into its domestic squabbles, she did not take his calls. END NOTE).

12. (C) COMMENT: A few hours after Lugo addressed the nation, it was as if this almost-coup never happened; the media moved on to other issues and the country resumed business as usual. Lugo's handling of this non-event was masterful: by clearing the air publicly, Lugo simultaneously (further) discredited Duarte and Oviedo, who the public has blamed for tying up the Senate for the past month over Duarte's claims to a Senate seat (reftel). While all (including the Armed Forces) seem nonchalant about yesterday's events, questions remain regarding who started these rumors and for what purpose. Sensitive reporting indicates that Duarte and Oviedo would like to create circumstances which could lead to a constitutional change of government. It is possible that they were scheming to that end; it is just as plausible, however, that Lugo played up an opportunity to put Duarte/Oviedo on notice that he and the entire country are now watching them closely in an effort to prevent any attempts to undermine him. It is not likely that criminal charges will be filed against the alleged "coup plotters," but Gonzalez and Duarte could face a slap on the wrist from the Senate (likely) or be stripped of their immunity (not as likely). While this "crisis" quickly passed, the security situation bears watching over the next few days, as four separate protests/marches are scheduled for September 3-4 in Asuncion. END COMMENT.

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